



State of New Jersey

DEPARTMENT OF THE TREASURY
DIVISION OF PURCHASE AND PROPERTY
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State Treasurer

September 14, 2010

Subject:

Request for information (RFI) –
Auditing Services Related to the International Registration Plan & International Fuel Tax Agreement

Submissions:

Responses should be mailed to the address below or e-mailed to roy.hambrecht@treas.state.nj.us, no later than October 8, 2010.

Department of the Treasury, Division of Purchase and Property
PO Box 230
33 W. State Street, 9th Floor
Trenton, New Jersey 08625
Attn: Roy Hambrecht, Procurement Specialist

Introduction:

The State of New Jersey, Motor Vehicle Commission (MVC), Motor Carrier Services is issuing a Request for Information (RFI) to determine the options available under auditing and accounting services. MVC is required by Title 39:3-6 to be actively engaged in the International Registration Plan (IRP) and by Title 54:39A-24 in the International Fuel Tax Agreement (IFTA). Both IRP and IFTA agreements require compliance audits performed on active accounts and fleets engaged in interstate travel. This RFI is for the purpose of exploring the use of an auditing and accounting service provider to uphold these mandated requirements. Any information submitted in response to this request is considered public information.

Please note that this RFI is intended as a no-cost, no-obligation research mechanism. It will not lead to a contractual relationship between the State of New Jersey and any vendor(s). It is anticipated that information received in response to this RFI will be used to develop appropriate documentation (such as a Request for Proposal) in support of a future procurement.

Purpose and Intent:

The purpose of this Request for Information is to provide the New Jersey MVC with a viable solution to current practices in the performance of field audits. The governing bodies of International Registration Plan, Inc. and International Fuel Tax, Inc. mandate a 3% audit rate based on the number of active accounts on record. The active IRP accounts number 19,000 and are in conjunction with 12,000 IFTA

accounts. Over 68,000 power units are represented in these accounts. The goal, or intent, is to successfully audit a 3% annual average on behalf of New Jersey and member jurisdictions, resulting in proportionate distribution and freedom from jurisdictional dispute.

As a preliminary step in this process, this RFI seeks responses from entities that perform field audits related to the IRP and the IFTA and from other interested and/or relevant parties that may have information helpful to the upcoming procurement. This includes information on administration, pricing and/or payment methodologies. In addition, a response is requested about methods to ensure that the auditing services are completed correctly and within the required timelines. Respondents may be entities that provide some or all of the proposed services.

Background:

New Jersey is a participating jurisdiction in the International Registration Plan (IRP) and the International Fuel Tax Agreement (IFTA) programs. Commercial motor carriers intending interstate travel are registered as participants and are subject to the conditions of these programs. The IRP plan is a reciprocity agreement between the contiguous United States and several provinces of Canada providing for the apportionment of commercial vehicle fees. The assessment of the registration fees is based primarily on the amount of carrier fleet miles driven in the various jurisdictions. Jurisdictions that fail to maintain their IRP membership forfeit the ability to register commercial vehicles used in interstate commerce and reciprocity privileges are denied to the jurisdictions and their carriers. It is the responsibility of the registering (base) jurisdiction to calculate, assess and collect apportioned registration fees for IRP member jurisdictions in which carriers conduct interstate commerce, and to periodically distribute to member jurisdictions the apportioned fees collected. To insure compliance with IRP mandates, registered carriers are audited at a minimum rate of 3% per year. Mileage logs, registration credentials and data management system verifications are incorporated in the audit reviews. The IFTA program is covered by a similar reciprocity agreement and consequence as the IRP plan, with emphasis on fuel taxes paid to jurisdictions at the point of purchase and the apportioned distribution to jurisdictions of travel. The minimum audit rate of 3% per year is similarly applied.

Qualifications:

The State of New Jersey MVC is requesting a response from qualified vendors to provide information on auditing and record examination services. The responder should possess the ability to provide a combination of auditing and accounting skills with the knowledge of records and procedures used in keeping accounts of financial transactions and of accounting methods, techniques, and machines and their use.

Proposed Requirements:

Response:

1. Describe your approach and all elements of your services and what you are capable of providing.
2. Do you subcontract certain services?
3. How much do your proposed services typically cost based on similar contracts? On what basis do you charge? Flat fee, a percentage?
4. Are you providing IRP and IFTA Auditing services (or those similar) to other state governments or to the Federal government? If so please describe and/or name them with contract dates.